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PRESS RELEASE

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Former senior employee of military contractor pleads guilty to making illegal congressional campaign contributions

Washington, D.C. - Richard A. Berglund, formerly Facility Director of an office of MZM, Inc., pleaded guilty today in the U.S. District Court for the District of Columbia to violating the Federal Election Campaign Act, United States Attorney Kenneth L. Wainstein, Joseph A. McMillan, Special Agent in Charge, Defense Criminal Investigative Service, and Joseph Persichini, Jr., Acting Assistant Director in Charge of the FBI's Washington Field Office, announced. The plea occurred before U.S. Magistrate Judge Deborah Robinson. Berglund is scheduled to be sentenced by United States District Judge Ricardo Urbina on January 18, 2007. He faces up to one year in prison and a \$100,000 fine.

Berglund, 46, of Valrico, Florida, supervised the Martinsville, Virginia office of MZM, a now-defunct large military contractor that was based in Washington, D.C. MZM's owner was Mitchell Wade, who pled guilty in February to making illegal campaign contributions and to conspiring to bribe Congressman Duke Cunningham and to make corrupt payments to Defense Department officials.

According to the government's evidence, Wade and Berglund engaged in a scheme in which they used Wade's money to unlawfully reimburse MZM employees for campaign contributions to a congressman. Specifically, in March 2005, Wade provided cash to Berglund and asked him to use the cash to fund campaign contributions in the name of Berglund, Berglund's wife, and MZM employees who worked in Martinsville, under Berglund's supervision. Berglund then used \$3,000 of Wade's cash to make a \$2,000 contribution in his own name and a \$2,000 contribution in his wife's name. Berglund paid for the remaining \$1,000 from his

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own funds. Berglund also provided \$2,000 each to two employees, who then each wrote \$2,000 checks to the congressman's campaign. Wade delivered the resulting \$8,000 in illegal campaign contributions to the congressman at a March 4, 2005 fund-raising event. Wade did not inform the congressman that the contributions were illegal.

In his February plea, Wade accepted responsibility for his part in this scheme. Both Wade and Berglund are cooperating with the government's investigation.

In announcing today's guilty plea, U.S. Attorney Wainstein, Special Agent in Charge McMillan and Acting Assistant Director in Charge Persichini commended FBI Special Agents Matthew Young and Andrew Mark Benjamin and Defense Criminal Investigative Service Special Agent Ed Cassin. They also commended Assistant United States Attorneys Howard Sklamberg and John Carlin, who are prosecuting the case.